(c) (i) On the issues involving Financing, Foreign Exchange and Insurance there are 15 recommendations including 8 for immediate implementation and 7 for medium term implementation. The details of the recommendations are given in the attached Statement. (*See* below)

(ii) The issue relating to nominating an agency to monitor these exports will be determined only after the recommendations are examined.

(iii) There are 70 other specific recommendations on issues involving Policy, Procedure, Infrastructure & Institutional frame work. Of these 42 have been recommended for immediate implementation, 21 for medium term implementation and 7 for long term implementation.

(d) The recommendations are still under examination.

Statement

Recommendation relating to Financing, Foreign Exchange & Insurance Interest Rates—

1. Interest rates on rupee pre and post shipment credit to be reduced to International levels (6-9% p.a.).

2. Interest rates on finance for capital investment for export production to be reduced.

Interest credit availability:—

1. No restrictions on grant of export credit for extreme focus products, such credit to be outside CAS norms and to include finance against IPRS claims.

2. Debt-equity norms to be relaxed for captial investment in extreme focus products.

3. Single point clearance for exporters to arrange currency loans in international market with minimum procedures to be introduced.

Foreign Exchange Policy Relaxations:—

1. Exporters of extreme focus products to be permitted to convert higher percentage (70-75%) of export proceeds at market related exchange rate.

2. Exporters to be allowed total freedom in the use of 15% of their export earnings retained in foreign currency accounts.

3. Payment of warranty claims (c. 8 on vehicles) to be permitted in free foreign exchange without restrictions.

4. Exports on consignment basis to be permitted with 180 days period for realisation of export proceeds to be reckoned from the date of sales from the warehouses abroad instead of from the date of shipment.

5. Exporters to be allowed to retain full 60% of their export proceeds in foreign currency accounts upto a maximum period of 180 days.

6. Exporters to be allowed to replace the exported goods or refund payment received to overseas buyers in the event of the goods exported being found unsatisfactory.

Enlarged Insurance Coverage:—

1. GIC to evolve scheme for covering product liability of exporters of extreme focus products.

2. ECGC risk cover to be more flexible and comprehensive taking into account requirements of individual industries.

3. ECGC to formulate a scheme on lines of ECGD of the UK to enable companies to bid on firm basis.

4. GIC to evolve liberal crop insurance scheme and infrastructure insurance for exports, against natural calamities.

Export of Iron ore

3672. SHRI VISHWASRAO RAMRAO PATIL: Will the Minister of COMMERCE be pleased to state:

(a) the quantity and value of exports of iron ore made from Goa during the year 1991-92, grade-wise; and

(b) the incentives being given to exporters of iron ore and the incentives

proposed to be given in future to encourage the iron-ore export?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI SALMAN KHURSHEED): (a) Quantity and value of exports of iron ore from Goa made by MMTC and private shippers of Goa during 1991-92, grade-wise, are given in the statement attached. (*See* below).

(b) Apart from the benefit under Section 80 HHC of the Income-Tax Act extended to exports of processed minerals in 1991-92, exporters of iron ore are eligible for benefit of partial convertibility under the Liberalised Exchange Rate Management Scheme. Existing incentives on export of iron ore are considered adequate.

Statement

Grade-wise Iron ore Exports by MMTC from Goa during 1991-92

Val: in Rs. crores

Grade	Quantity (in lakh tonnes)	Value
65/63 Fines	4.86	20.18
HDA Fines	1.39	5.60
62/60 Lumps	0.51	2.25

Grade-wise Iron Ore Exports by private shippers from Goa during 1991-92

Grade	Quantity (in tonnes)	Value
63/63	2,536,527	100.66
62/62	5,821,550	221.88
62/60	423,968	15.40
61/61	417,377	14.56
60/60	811,616	25.69
60/59	444,638	15.77
59/59	164,419	5.35
58/58	55,695	1.79
61/60	107,150	4.11
58/57	37,489	0.97
53/48	205,913	6.27
57/57	131,248	3.62
50/50	138,151	3.48
54/53	53,171	8.82